



NEWS & VIEWS

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SBA News and Views is a monthly publication of the SBA Wisconsin District Office. Its purpose is to provide Wisconsin lenders and small business leaders with up-to-date information on SBA programs and small business issues. It is distributed at no cost, and the reprinting of articles is encouraged.

HELP FOR SMALL BUSINESSES AFFECTED BY THE FEDERAL CALL-UP OF MILITARY

***You're serving our country;
now let the SBA serve you!***

If your small business has been adversely affected by the federal Title 10 call-up of members of the National Guard or Reserves during a period of conflict, the U.S. Small Business Administration can help.

Disaster Loans

For eligible small businesses suffering economic injury because an owner or an essential employee was called to active duty, the SBA can offer a Military Reservist Economic Injury Disaster Loan. Small businesses may apply for the loan after Reserve or National Guard members receive their orders to active duty. Loans up to \$1.5 million are available at an interest rate not to exceed 4 percent. The loan application

can be downloaded from the Web site at
www.sba.gov/disaster/mreidl.html.

Debt Relief

If your small business currently has an SBA direct or guaranteed loan, you can ask for repayment deferrals, interest-rate reduction and other assistance. To request help, contact your SBA lender or your nearest SBA district office at
www.sba.gov/regions/states.

Business Counseling and Training

Through your local district office and the SBA's resource partners, you can receive business development help, and business counseling and training to help your business while you or your employees are on active duty with the National Guard or Reserves.

Basic 7(a) Loan Guaranty

This is the SBA's primary business loan program to help qualified small businesses obtain financing when they might

not be eligible for business loans through normal channels. It is the SBA's most flexible business loan program, since financing can be guaranteed for most general business purposes. More information can be found at
www.sba.gov/financing/fr7aloan.html

For More Information

For information on these and other programs to serve you, your nearest SBA district office is listed in the telephone directory under "U.S. Government." You can also contact us at 1-800-U ASK SBA, visit our Web site at www.sba.gov/reservists, or call our Office of Veterans Business Development at 202-205-6773.

WISCONSIN'S INTERNATIONAL TRADE LOAN GOALS FOR FISCAL 2003

As is the case every year, the Agency establishes certain goal areas for the field offices throughout the United States.

This year is no exception. Along with Emerging Markets, we are also being asked to track and report loans made to exporters. We are asking your help in making sure that we have properly identified loans in this category. When a borrower indicates that the company (applicant) is exporting or will be exporting, we can classify these loans under the International Trade Loan goals. So, please make sure that the loan applications are properly identified when submitting them for our processing and review.

PRESIDENT BUSH MOVES TO BOLSTER SMALL BUSINESS ECONOMY

As we begin a new year and look forward to a continued economic recovery, President Bush has delivered some very good news for America's 25 million small business owners and their employees. With the introduction of his economic growth package the President has delivered on his promise to bolster America's small businesses, the backbone of our economy.

Small businesses account for 70% of jobs in the U.S. and 51% of overall economic output. The contributions entrepreneurs make to our country are considerable and in recognition of the key role they play in our economic vitality, the President's plan delivers specific relief to small businesses and the opportunity for them to grow.

Through a combination of income tax rate reductions, and

increase in allowable deductions for expenses and the permanent repeal of the death or estate tax, American small business owners and families from all walks of life will get to keep more of what they earn. The President has pointed out that under his plan, "a family of four with an income of \$40,000 will receive a 96 percent reduction in federal income taxes." That's nearly a complete elimination of that families federal income tax burden and translates to more disposable income to be invested, saved or spent (perhaps on goods and services from a small business.)

For small business owners, many of who are subject to personal income tax rates on their business, the reduction in rates will mean an increase in capital to expand their business, hire new workers and provide new or improved products. As proposed the reduction in the top marginal rate scheduled to take effect in 2006 (to 35%) would take place retroactively in 2003 resulting in tax cuts averaging \$2,042 for some 23 million small business owners. These hard working entrepreneurs would receive 79% (about \$10.4 billion) of the \$13.3 billion in tax relief from accelerating the reduction in the top tax bracket.

Additionally, an increase in the expensing for new investments would encourage small business owners to purchase the technology, machinery, and other equipment they need to expand. The amount of investment that may be immediately

deducted by small businesses would increase from \$25,000 to \$75,000 beginning in 2003. During a roundtable discussion with President Bush at a small business in Alexandria, Virginia that manufactures flags, we heard from the owner of the company what impact this plan would have on him. Later the President recounted the conversation, referring to Mr. Ulmer, the owner of the company, he said, "he would buy two more machines, which would create more job opportunities for people. In other words, this is a plan that says that if you are willing to take risk and invest more, that there's a benefit for doing so. It's an incentive for small business to increase." And there is no better way to say it. Simply put, this plan will put earned money back in the hands of American workers and small business owners and in turn back into those businesses and our overall economy creating jobs and further spurring economic growth.

Finally, with the permanent repeal of the death tax, small business owners will no longer be faced with the prospect of leaving their family an insurmountable tax bill along with the family business. Instead of forcing their surviving heirs to sell the business to pay the government, the repeal will provide certainty for family-owned small businesses that want to transfer the business from one generation to the next.

As the economy continues to trend upward, America's small businesses can be counted on

to continue to provide strength, resilience and optimism. Thanks to the President's aggressive growth package, small business owners can count on an environment on which their efforts will be encouraged.

SBA AND DOD CREATE STREAMLINED DATABASE

The U.S. Small Business Administration and the Department of Defense reached another e-government milestone by completing the integration of two key federal contractor databases: the Procurement Marketing and Access Network (PRO-Net) and the Central Contractor Registration (CCR). The linkage will further simplify contracting processes for the small businesses that provide over \$50 billion in goods and services to federal agencies.

The CCR-PRO-Net linkage allows vendors to input information in both databases simultaneously. Through this single registration effort, a small business can now market its wares, furnish the information an agency will need to do business with it, and further ensure it receives timely payment for the work it performs. It will save new small business registrants approximately 30 minutes during the initial registration process.

The CCR-PRO-Net linkage is part of a comprehensive strategic effort by the Bush Administration to create a business partner network in an environ-

ment where technologies are applied in ways that reflect the integrated nature of acquisition activities. In this integrated environment, the CCR will rely on PRO-Net as the authoritative source about vendors who are certified in SBA's small business programs—e.g., 8(a) Business Development and HUBZone Empowerment Contracting Programs and Small Disadvantaged Business status. This will enable CCR to operate in a more cost-effective manner.

PRO-Net is the government's electronic gateway to information by and for small businesses. It serves as both a marketing development tool for small businesses seeking to do business with government agencies and a market research tool for government buyers looking for small businesses that can help to meet their agencies' needs. The system can be used free of charge by small businesses looking to partner with other small companies to handle the larger, more complex contracts. It also has a special section dedicated to subcontracting opportunities at <http://web.sba.gov/subnet>.

The CCR is a central repository for information about federal contractors that the government needs in order to transact with them. The CCR allows contractors to provide and update information in one place and agency buyers to obtain the information they need from one site. It is currently used by DOD and several other agencies and is being ramped up to become the primary repository for all

agencies so that vendors may avoid the burden of registering separately with each agency with which they do business. The CCR also validates vendor information that finance offices use to make paperless payments through electronic funds transfer.

For more information, please visit the PRO-Net and CCR Web sites at <http://pro-net.sba.gov>, and <http://www.ccr.gov>, respectively.

CONGRATULATIONS

Congratulations to the **American Indian Chamber of Commerce of Wisconsin** for becoming an intermediary in SBA's Prequalification program. The Chamber is located at 10809 W. Lincoln Ave., West Allis, Wisconsin 53227. Telephone is (414) 604-2044, fax is (414) 604-2070 and website is www.aiccw.org. The contact person is Craig Anderson, Executive Director.

MARTIN LUTHER KING, JR. COMMEMORATIVE OBSERVANCE

The U.S. Small Business Administration is proud to join the Nation as we pay tribute to one of America's great leaders, Dr. Martin Luther King, Jr. Each year in January, America pauses to honor Dr. King's life and the principles of justice and equality for which he lived. His dreams of social change have great relevance to men and women of every race, religion, color, age, and culture. His vi-

sion of equality of opportunity is of particular significance to each of us at the SBA, given that our work is about the people of America and the assistance by which their lives can be made better.

On February 4, 1968, exactly 2 months before he was assassinated, Dr. King delivered a sermon titled, "The Drum Major Instinct." This sermon contains great wisdom about commitment and service to others. Dr. King said, "And there is deep down within all of us an instinct. It's kind of a drum major instinct—a desire to be out front, a desire to lead the parade, a desire to be first. And it is something that runs the whole gamut of life...and the great issue of life is to harness the drum major instinct..." Consistent with Dr. King's vision, the SBA's commitment and continued service to others remains fundamental to our work. We take great pride in making Dr. King's dream of economic equity a reality as we help American entrepreneurs start and grow their businesses and help American homeowners and small businesses recover from disasters. The SBA remains steadfast as we continue to provide equal opportunity for all of our Nation's people to succeed and to achieve the American dream.

GOVERNMENT CONTRACTING & BUSINESS DEVELOPMENT

The Office of Government Contracting and Business

Development (GC/BD) utilizes the best business practices of the marketplace to ensure small, small disadvantaged and women-owned businesses have the greatest opportunity possible to compete in the general marketplace and specifically for available procurement dollars.

The **Historically Underutilized Business Zone (HUBZone) Contracting Program** provides Federal contracting assistance to qualified small businesses located in distressed communities to increase employment opportunities and stimulate capital investment.

The **Small Disadvantaged Business Program** is a procurement tool designed to help government purchasers find firms capable of providing needed services, while at the same time, helping to address the historical exclusion of firms that meet specific social, economic, and ownership and control eligibility criteria from contracting opportunities.

The **8(a) Business Development Program** assists firms owned, controlled, and operated by socially and economically disadvantaged individuals through the provision of management, technical, financial and contract assistance to create viable businesses and successfully compete in the Nation's free enterprise system. In May, 2002, the SBA launched its first ever **Match-making Program**. Over 1000 appointments were arranged between Federal procurement

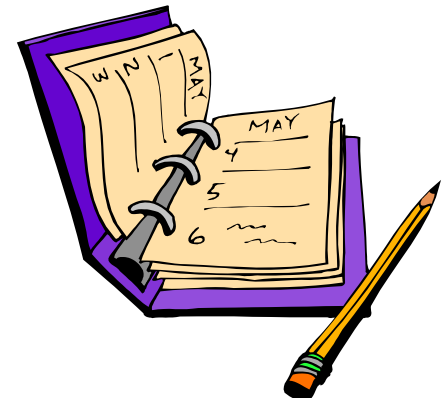
officials and prime contractors and qualified small businesses. SBA is delivering this successful program in 12 communities across the country in the next 12 months.

The **Office of Contract Assistance for Women Business Owners** assures that the interests of women business owners, the fastest growing group of entrepreneurs in the nation, are championed across all GC/BD and SBA programming.

WISCONSIN CALENDAR OF EVENTS

Only SBA sponsored events are endorsed by the Agency. Other events are merely provided as a resource.

Check out our WI SBA Calendar of Events and mark your business calendar for training!



SBA LENDERS FOR DECEMBER 2002**AMERICAN NATIONAL
BANK FOX CITIES**

Appleton – 1 Loan for \$75,000

**ASSOCIATED BANK
MINNESOTA NA**West St. Paul, MN
1 Loan for \$250,000**ASSOCIATED BANK NA**

Green Bay – 10 Loans for \$1,489,500

**BANC ONE NATIONAL
RETAIL GROUP**

Columbus, OH – 1 Loan for \$230,400

BANK OF NEW GLARUS

Belleville – 1 Loan for \$75,000

BANK ONE NA

Chicago, IL – 2 Loans for \$163,000

BREMER BANK NA

Siren – 1 Loan for \$55,000

CAMBRIDGE STATE BANK

Cambridge – 1 Loan for \$180,000

CAPITAL ONE BANK

Glen Allen, VA – 1 Loan for \$50,000

**CAPITAL ONE FEDERAL
SAVINGS BANK**Falls Church, VA
3 Loans for \$135,000**CITIZENS STATE BANK**

Cadott – 1 Loan for \$100,000

COMMUNITY BANK & TRUST

Sheboygan – 1 Loan for \$500,000

COMMUNITY FIRST CU

Appleton – 3 Loans for \$185,000

COMMUNITY STATE BANK

Union Grove – 1 Loan for \$150,000

COULEE STATE BANK

Onalaska – 1 Loan for \$254,000

DELAFIELD STATE BANK

Delafield – 1 Loan for \$134,937

F&M BANK-WISCONSIN

Green Bay – 1 Loan for \$1,607,517

**FIRST BANK
FINANCIAL CENTRE**

Oconomowoc – 1 Loan for \$450,000

FIRST BANKING CENTER

Burlington – 1 Loan for \$100,000

**FIRST NATIONAL BANK
FOX VALLEY**

Neenah – 1 Loan for \$150,000

**GE CAPITOL SMALL BUSINESS
FINANCE CORP.**

St. Louis, MO – 1 Loan for \$400,000

HOMETOWN BANK

Saint Cloud – 2 Loans for \$580,000

**INVESTORS COMMUNITY
BANK**

Manitowoc – 1 Loan for \$821,700

JOHNSON BANK NA

Janesville – 1 Loan for \$410,000

LEGACY BANK

Milwaukee – 1 Loan for \$148,500

**M&I MARSHALL & ILSLEY
BANK**

Milwaukee – 19 Loans for \$2,569,100

**M&I MARSHALL & ILSLEY
BANK**

Brookfield – 1 Loan for \$250,000

**MERCHANTS NATIONAL BANK
OF WINONA**

Winona, MN – 1 Loan for \$150,000

MONONA STATE BANK

Monona – 1 Loan for \$50,000

PARK BANK

La Crosse – 2 Loans for \$545,000

PEOPLES STATE BANK

Mazomanie – 1 Loan for \$137,250

PREMIER COMMUNITY BANK

Marion – 1 Loan for \$150,000

SHELL LAKE STATE BANK

Spooner – 1 Loan for \$15,000

STATE BANK OF CHILTON

Chilton – 2 Loans for \$1,462,932

STATE BANK OF LA CROSSE

La Crosse – 2 Loans for \$175,000

STATE BANK OF THE LAKES

Antioch, IL – 1 Loan for \$150,000

THE REEDSBURG BANK

Reedsburg – 1 Loan for \$283,000

US BANK NA

Cincinnati, OH – 1 Loan for \$145,000

WAUKESHA STATE BANK

Waukesha – 1 Loan for \$240,000

**WELLS FARGO BANK
MINNESOTA NA**Minneapolis, MN
2 Loans for \$474,000**WELLS FARGO BANK NA**

San Jose, CA – 1 Loan for \$25,000

**WELLS FARGO BANK
WISCONSIN NA**

Milwaukee – 2 Loans for \$198,000

**WISCONSIN BUSINESS
DEVELOPMENT FINANCE
CORP.**

Monona – 17 Loans for \$8,737,000